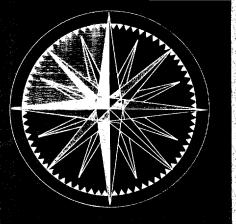
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23 September 1966 OCI No. 0308/66

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## WEEKLY SUMMARY

State Dept. review completed

DIA review(s) completed.

On file Department of Commerce release instructions apply.

USAF review(s) completed.

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#### CONTENTS

(Information as of noon EDT, 22 September 1966)

#### Far East

|      | Pac  | ìБ |
|------|--|----|
| VIE  | The major military activity in South Vietnam continues to be US Marine Operation PRAIRIE's efforts to uproot elements of the North Vietnamese 324B Division entrenched south of the Demilitarized Zone (DMZ). A new surface-to-air missile site has been discovered only 55 miles north of the zone, possibly intended to counter the heavy US tactical air activity of recent weeks. Also, North Vietnamese interceptor aircraft are displaying a new spurt of aggressiveness.  | 1  |
| CAMI | BODIAN-THAI RELATIONS IMPROVING Prospects are improving for an easing of tensions between Bangkok and Phnom Penh, although an early resumption of diplomatic relations is unlikely.  | 5  |
| THE  | NEW CHINESE COMMUNIST PARTY HIERARCHY Although Peking has not seen fit to make a formal announce- ment of changes in the hierarchy decided on in early August piecemeal disclosures in recent weeks make it possible to reconstruct the current composition of the party's top bodies—the politburo, its standing committee, and the sec- retariat.  | 6  |
| LIN  | PIAO, NEW NUMBER-TWO MAN IN COMMUNIST CHINA Defense Minister Lin Piao has emerged as Mao Tse-tung's first deputy, after months of turmoil in the Chinese Com- munist leadership. If Mao's control has slipped, as seems conceivable, Lin may already be the paramount ruler. Less is known about Lin Piao than any other Chinese leader. His background suggests that he is as chauvinistic as other leaders, but may take a relatively pragmatic approach to policy issues. (Published separately as Special Report OCI No. 0308/66A) |    |
| WEAI | KENING TREND IN MALAYSIAN FEDERATION  The dispute over the chief ministership in Sarawak has  strengthened demands for greater autonomy for that Borneo  state and may be exploited by Indonesia.  | 8  |

## **SECRET**

WEEKLY SUMMARY 23 Sep 66 Page i

#### Approved For Release 2008/05/19: CIA-RDP79-00927A005400090001-5

#### SECRET

| PREMIER IN SHOWDOWN WITH LAOTIAN NATIONAL ASSEMBLY        | 9 |  |  |  |
|---|---|--|--|--|
|   |   |  |  |  |
| Premier Souvanna has prevailed over the legislators in a  |   |  |  |  |
| confrontation precipitated by their rejection of the pro- |   |  |  |  |
| posed budget. He says the King has agreed to dissolve     |   |  |  |  |
| the assembly and keep the present government.             |   |  |  |  |

#### Europe

- TROUBLES MOUNT FOR WEST GERMANY'S CHANCELLOR

  The latest blow to Erhard's political position—the resignation of his long—time top aide and confidant—comes on the eve of the chancellor's visit to Washington.
- COSMOS 122, SOVIET EXPERIMENTAL METEOROLOGICAL SATELLITE 11
  The Soviets have demonstrated a workable meteorological satellite with Cosmos 122, launched on 25 June. They have begun to fulfill their commitment to exchange satellite weather data with the United States.
- THE EEC AND INTERNATIONAL MONETARY REFORM

  The EEC countries have indicated willingness to collaborate with current efforts to improve the international monetary system, but will be reluctant to see planning move out of the hands of the world's major financial powers.
- SWEDEN'S GOVERNING PARTY SUFFERS SETBACK IN LOCAL ELECTIONS

  The Social Democratic Party's top leadership will meet on
  1 October to make basic decisions on the party's future
  role in the government, including the possibility of calling special national elections. Majority sentiment in
  the party, however, appears to favor continuation of the
  Social Democratic government despite its minority status
  and the rebuff at the polls.

#### Middle East - Africa

GOVERNOR OF WEST PAKISTAN RESIGNS

This third recent departure from office of a major Pakistani figure is tending to concentrate power still further in the hands of President Ayub.

#### SECRET

Page ii WEEKLY SUMMARY 23 Sep 66

#### Approved For Release 2008/05/19 : CIA-RDP79-00927A005400090001-5

## **SECRET**

| CAII | RO IMPOSES NEW CABINET IN YEMEN In a showdown over escalating anti-Egyptian sentiment, Nasir backed Yemeni President Sallal in ousting an ob- streperous cabinet, but his highhandedness may have wrecked Egypt's long-term position in Yemen.                       | 14 |
|------|--|----|
| NEW  | DISORDERS IN FRENCH SOMALILAND STIR PARIS The French Government is speeding the pace of change in its small African territory, and Ethiopia and the Somali Republic are wrangling over the spoils.   | 15 |
| MOBU | UTU TIGHTENS CONTROL IN CONGO  He has detained the governors of two troublesome provinces, which may further undercut the position of former premier Tshombe.  | 16 |
|      | ITARY COMMANDER INTERVENES IN NIGERIA'S CONSTITUTIONAL ISIS Colonel Gowon has moved to impose a strong federal government and break up two regions into smaller states. The threat of an attempted secession by the Eastern region remains.                          | 18 |
|      | Western Hemisphere   |    |
| INTE | ER-AMERICAN PEACE FORCE LEAVES DOMINICAN REPUBLIC President Balaguer, meanwhile, has continued efforts to consolidate his control over the Dominican armed forces, whose allegiance is critical to the stability of his regime.                                      | 20 |
|      | DENT UNREST GROWS IN BRAZIL  Leftist forces, having regained influence in some sectors of the student movement, are trying to foster unrest while national tensions are high in anticipation of presidential and congressional elections during the next two months. | 21 |
|      | MUNISTS BRING OFF GENERAL STRIKE IN URUGUAY The success of this protestthe first major strike the Communists have been able to engineer on primarily po- litical issueswill encourage increasing labor agita- tion before the November elections.                    | 22 |

## **SECRET**

Page iii WEEKLY SUMMARY 23

## Approved For Release 2008/05/19 : CIA-RDP79-00927A005400090001-5 \*\*SECRET\*\*

#### Far East

#### VIETNAM

The fighting in northernmost Quang Tri Province near the Demilitarized Zone (DMZ) last week continued to be the major military activity in South Vietnam. US aircraft and artillery have provided support to the five battalions of US Marines in their efforts to uproot elements of the North Vietnamese Army's 324B Division entrenched just south of the DMZ. Cumulative casualty figures for this operation--Operation PRAIRIE--which began on 3 August, now show 100 Americans killed and 323 wounded. Enemy losses include over 600 killed and five captured.

#### Viet Cong Activity

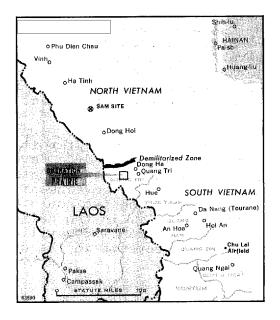
Viet Cong guerrillas launched a daring but ineffective attack on the US Marine airfield at Chu Lao on 21 September. An estimated 20 rounds of 82-mm. mortar shells fell on the airstrip. A total of 16 Americans were wounded, one seriously. Eight aircraft sustained minor damage but remained operational.

company-size Viet Cong unit has been established with the primary mission of attacking allied shipping between Saigon and the sea. This unit has ap-

proximately 55 men, equipped with antitank rifles, B-40 rocket launchers, and 57-mm. recoilless rifles.

#### VC Military Conference

The Communist "Liberation Radio" revealed on 16 September that the Viet Cong called a high-level military conference in early August, the first since October 1962, to brief field commanders from all over South Vietnam on Communist plans and strategy. The conference included an exchange of views by military delegates and addresses by the deputy VC political commander and a deputy military



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#### SECRET

Page 1 WEEKLY SUMMARY 23 Sep 66

Approved For Release 2008/05/19: CIA-RDP79-00927A005400090001-5

commander, neither of whom was identified by name. The news release admitted, however, that some delegates demonstrated "confusion" about directives from above and expressed differences of opinion about the problems and solutions discussed.

The broadcast implied that the conference was necessitated by relatively widespread confusion about high-level Communist intentions and a need to bring field commanders up to date on US military tactics. The calling of this conference and its forecast of a "more difficult and more desperate struggle" in the coming year suggest that the leadership remains unshaken in its determination to continue the fighting.

## Problems in Newly Elected South Vietnam Assembly

South Vietnam's newly elected constituent assembly will face several significant political problems when it convenes on 27 September, before it even begins its task of drafting a constitution.

One of the most important problems is the need to develop some rapport between the assembly and the military government. Friction between the two could become a major problem in the delicate process of balancing civilian and military interests in the consti-

| tutional | structure. |               |
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The delegates may decide to give early consideration to the issue of the assembly's authority—the question of assuming a legislative function in addition to drafting a constitution and the question of a government veto on the assembly's work in the absence of a two-thirds majority in the assembly.

Thus far, the leaders of the military government have generally been careful not to alienate the newly elected delegates. In a press conference on 17 September, Premier Ky declared that the government was reconsidering the question of the assembly's assuming a legislative function, but was quite firm on the necessity of the government's retaining its veto power. The attitudes of most of the delegates toward the military are unknown.

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Another important consideration will be the ability of the assembly itself to harmonize the diverse regional, religious, and

#### SECRET

Page 2 WEEKLY SUMMARY 23 Sep 66

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political interests its delegates represent. Problems of this nature may be reflected quickly during the election of assembly officers. The political influence of southerners, which has increased noticeably in Premier Ky's cabinet this year, is also strong in the assembly, and one of the leading southern politicians will undoubtedly be nominated as assembly president. Growing concern about southern influence among Vietnamese of central and northern origin will have to be assuaged--possibly by a compromise on the selection of other assembly officers--if the assembly is to function smoothly.

#### Rumors of Government Changes

There are some indications that the dismissal of Deputy Premier Co and possibly IV Corps commander General Quang is again being considered by Premier Ky and his supporters. Speculation concerning the dismissal of these two officers, basically for widespread charges of corruption, was rife in late July and early August.

#### Cambodia - Viet Cong Border Talks

Negotiations between Cambodia and the Viet Cong have been sus-

pended as a result of certain unspecified "complications."

Although Sihanouk announced earlier this month that a border agreement with the Vietnamese Communists would be signed before the end of the year, the monthold talks have been plagued by procedural and substantive problems. The fundamental difficulty has been Sihanouk's fear of the possible consequences of concluding such an agreement, and his desire to extract as much as possible from the Communists to make the risk worthwhile.

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the North Vietnamese insisted that the border agreement include a rider specifying that the demarcation of the frontier would be subject to further negotiation—a requirement which Sihanouk would almost certainly find unpalatable.

## SAM Site Discovered In Southern DRV

Photography disclosed the presence of North Vietnam's 136th surface-to-air missile (SAM) site about 55 miles from the Demilitarized Zone (see map on page one). This location is the most southerly noted to date, and Hanoi may have decided to move SAM equipment into this

#### **SECRET**

Page 3 WEEKLY SUMMARY

23 Sep 66

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## Approved For Release 2008/05/19 : CIA-RDP79-00927A005400090001-5

### **SECRET**

area to counter the heavy US tactical air activity of recent weeks. If Hanoi should move the SAMs even farther south, they could pose a threat to US B-52 operations in and just south of the DMZ. The effective range of the SA-2 missile is about 20 miles.

#### DRV Air Force More Aggressive

During the past week, US strike aircraft over North Vietnam fought a record number of air battles with North Vietnamese fighters, most of which involved the exchange of missile or cannon fire. Only one US fighter was lost while three North Viet-

namese aircraft were shot down and three others damaged.

Engagements fought on 21 September provided the most conclusive evidence to date that DRV MIG-21s are using heat-seeking air-to-air missiles. In two encounters on that date US fliers observed red or orange missiles—believed to be the Soviet-supplied version of the US Sidewinder—under the wings of the MIG-21s.

The number of encounters and the aggressive and capable performance of North Vietnamese pilots suggest that another period of sustained activity on the part of the DRV Air Force is under way.

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SECRET

Page 4 WEEKLY SUMMARY 23 Sep 66

#### Approved For Release 2008/05/19 : CIA-RDP79-00927A005400090001-5

## SECRET

## CAMBODIAN-THAI RELATIONS IMPROVING

Prospects are improving for an easing of tensions between Bangkok and Phnom Penh, although an early resumption of diplomatic relations is unlikely.

Thai leaders have reacted cautiously but favorably to Sihanouk's recent statements that Cambodia will not pose any prior conditions to a resumption of diplomatic relations. Thai Deputy Prime Minister Praphat, who had rebuffed a Cambodian overture in July, told the press last week that Thailand had no objection to resuming relations, which were terminated by Cambodia in 1961. He said that the cabinet is currently exploring the possibilities.

Praphat is also the key figure behind Thai support for the Khmer Serei dissidents, whose stepped-up activities against Cambodia in the past two years have led to a score of border incidents and to Cambodian counterterrorism. The Thai leaders have thus far shown little disposition to discontinue joint support with South Vietnam for the Thai-based dissidents. Although Sihanouk has stated that Bangkok's support for the Khmer Serei will not stand in the way of a resumption of

relations, he has also made it clear that a continuation of their activities will impede a meaningful reconciliation between the two countries.

A resumption of diplomatic relations will also be hindered by the penchant of both countries to conduct their diplomacy on the basis of often misleading press reports. Sihanouk is particularly quilty on this score. He has, for example, hastily rejected a reported Thai suggestion that the Preah Vihear Buddhist temple be "internationalized." Bangkok, however, fully realizes that Phnom Penh will not relinquish any measure of Cambodian sovereignty over the temple, which was affirmed in a 1962 decision of the International Court of Justice, and probably would be satisfied with Sihanouk's offer of permission for Thai Buddhists to worship at the shrine.

Long-standing personal antagonisms and a prolonged exchange of invectives will pose a further barrier to improved relations. However, there are no major substantive issues dividing the two countries and both have much to gain by reducing tensions and fighting along their border.

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#### **SECRET**

Page 5 WEEKLY SUMMARY 23 Sep 66

#### THE NEW CHINESE COMMUNIST PARTY HIERARCHY

The published lists of leaders who attended three major Peking rallies in August and September, plus piecemeal disclosures in recent weeks, help clarify the nature of the sweeping changes which evidently took place at a party plenum held in early August. From this evidence it is now possible to reconstruct with some confidence the current composition of the politburo and its standing committee -- the party's top policy-making bodies--and of the secretariat, which is the executive arm of the party. (See table on opposite page.)

The most striking change in the new leadership lineup is the rise of military men close to Lin Piao, Mao's new deputy. principal losers have been party organization men like Liu Shaochi. Three senior military men apparently have been added to the politburo, doubling the military representation on that 21-man This brings into the pobody. litburo all six senior members of Lin Piao's Military Affairs Committee, the supreme military authority of the party.

Liu Shao-chi, Mao's party deputy since 1945, was publicly humiliated at the rallies, where he was relegated to eighth place. He apparently has dropped out of the standing committee. Party general secretary Tenh Hsiao-ping's position has also been weakened, though not as much. He presumably remains on the seven-man standing committee. He dropped from third or fourth in the power structure to sixth place, however,

and has made no public appearances, except at the large Peking rallies, in the past month. Since the August plenum he has appeared in his role as general secretary only once--on 17 August.

The new politburo is a mixed New members of the standing bag. committee include two radical party leaders who had not been closely associated with the regular party apparatus--regional leader Tao Chu and Chen Po-ta, a Marxist theoretician. The relatively moderate government leaders and economic specialists like Chou En-lai and Li Fu-chun have retained or improved their standing. A place has even been found in the new politburo for Chen Yun, a once-prominent economic figure who fell into limbo after contemptuously criticizing the "leap forward" in 1959.

Peking's failure to make a formal announcement of personnel changes decided on at a party plenum is unusual, and could be a sign they are not considered permanent. Pronouncements emanating from Peking continue to insist that bringing down additional powerful figures in the party is the main task of the regime. This has been the central theme of each of Lin Piao's three speeches since he rose to his present position of eminence. At the moment, Lin's immediate targets seem to be provinciallevel figures, but the vague and sweeping nature of his charges makes it possible for him to resume pressure on leaders at the center at any time.

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### Changes in the Chinese Communist Party Hierarchy

(Based on List of Officials Attending 18 and 31 August and 15 September Rallies in Peking)

#### POLITBURO

#### **Standing Committee**

#### CURRENT (Probable)

- MAO TSE-TUNG, Chairman
- **↑**LIN PIAO
- CHOU EN-LAI
- 🕈 TAO CHU, new party propaganda chief
- CHEN PO-TA, head, cultural revolution
- TENG HSIAO-PING, General Secretary
- RANG SHENG, adviser to cultural revolu-
- MAO TSE-TUNG, Chairman LIU SHAO-CHI, Vice Chairman CHOU EN-LAI, Vice Chairman \* CHU TE, Vice Chairman
- \* CHEN YUN, Vice Chairman LIN PIAO, Vice Chairman
- TENG HSIAO-PING, General Secretary
- LIU SHAO-CHI, still chief of state but party rank uncertain
- OCHU TE, party elder
- ↑CHEN YUN, once top economic specialist; in disfavor since criticizing "leap forward" in 1959
  OTUNG PI-WU, party elder
  •CHEN YI, Foreign Minister
  •LIU PO-CHENG, Military Affairs Committee

- HO LUNG, Military Affairs Committee
   LI HSIEN-NIEN, Finance Minister
   LI CHING-CHUAN, head of Southwest party bureau; attended a rally in Szechwan Province about 18 August
- ●TAN CHEN-LIN, agricultural specialist ♦ HSU HSIANG-CHIEN, Military Affairs Committee
- ♠NIEH JUNG-CHEN, Military Affairs Committee
- ↑YEH CHIEN-YING, Military Affairs Committee

#### Alternate Members

- ●ULANFU, party leader in Inner Mongolia ●PO I-PO, economic planner
- ↑LI HSUEH-FENG, head of North China party
- bureau and Peking party committee
- - ↑ Gained Held Ground
- O Unimportant

- \* TUNG PI-WU, party elder PENG CHEN (purged April 1966)
  - CHEN YI, Foreign Minister
- LI FU-CHUN, economic planner PENG TE-HUAT (purged 1959 but not formally

**PREVIOUS** 

- removed from politburo)
  \* LIU PO-CHENG, Military Affairs Committee
  HO LUNG, Military Affairs Committee
- LI HSIEN-NIEN, Finance Minister
- LI CHING-CHUAN, head of Southwest party bureau TAN CHEN-LIN, agricultural specialist

\* ULANFU, party leader in Inner Mongolia CHANG WEN-TIEN (last appeared 30 June 1961)
LO TING-1 (purged about April)
CHEN PO-TA, Mao's ghost writer, propagandist KANG SHENG, intelligence man PO I-PO, economic planner

#### SECRETARIAT

#### CURRENT (Probable)

TENG HSIAO-PING, General Secretary TAN CHEN-LIN, agricultural specialist LI HSUEH-FENG, head of North China party bureau LI FU-CHUN, economic planner LI HSIEN-NIEN, Finance Funister
KANG SHENG, intelligence specialist; TAO CHU, party propaganda head; named to secretariat in July; possibly promoted out of secretariat in August YEH CHIEN-YING, new secretariat member; Military Affairs Committee
LIU NING-I, new secretariat member; foreign affairs specialist

#### **PREVIOUS**

TENG HSIAO-PING, General Secretary

PENG CHEN (purged April 1966)
WANG CHIA HOTANG (last appeared 8 May 1962) TAN CHEN-LIN, agricultural specialist LI HSUEH-FENG, head of North China party

LI FU-CHUN, economic planner

LI HSIEN-NIEN, Finance Minister LU TING-I (purged about April 1966) KANG SHENG, intelligence specialist

TO JUI-CHING (formally replaced July 1966)

\*Asterisk designates member inactive or regarded as unimportant in power structure as of April 1966.

through name indicates purged member.

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#### WEAKENING TREND IN MALAYSIAN FEDERATION

The current political crisis in the Borneo state of Sarawak, highlighted by the Malaysia Government's declaration of a state of emergency there on 15 September, underscores the tenuous relationship of the component parts of the three-year-old Malaysian federation. Although Kuala Lumpur is expected to assert its authority over the short term, the long-run prospects are for increased instability and unrest.

The crisis stems from the competing claims for the Sarawak chief ministership. The incumbent, Stephen Ningkan, and his faction favor more autonomy for Sarawak, while Tawi Sli and his followers are willing to accept Kuala Lumpur's dominance. Kuala Lumpur engineered Ningkan's replacement by Tawi Sli in June, only to have Sarawak's high court reinstate Ningkan on 7 September. Although lacking majority backing in the present Sarawak assembly, Ningkan enjoys substantial popular and political support, including, at least in his current struggle with Kuala Lumpur, that of the large Chinese-dominated and Communistpenetrated Sarawak United Peoples Party.

On 19 September the federal Parliament amended the Sarawak constitution to allow the governor to convene the assembly for the purpose of removing

Ningkan as chief minister. To soothe popular sentiment the government has promised that elections will be held but did not set a specific date. Pro-Ningkan forces have seized on this promise to demand general elections immediately.

Kuala Lumpur's arbitrary state-of-emergency declaration and its amending of the constitution have aroused unprecedented resentment in Sarawak, have further increased Ningkan's popularity, and have strengthened the position of those favoring autonomy. Although violent demonstrations against Kuala Lumpur seem unlikely for the immediate future, continued failure to meet demands in Sarawak for elections and greater autonomy would increase discontent and the possibility of violence.

In the long run this situation could become susceptible to exploitation by Indonesia. Despite the official ending of its confrontation policy against Malaysia, Indonesia appears not to have abandoned its ambition to separate the Borneo states from the federation. Another factor which may be expected to worsen the situation is the current replacement of British military personnel in Sarawak by unpopular Malay troops from mainland Malaysia, a move scheduled to be completed this year.

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## PREMIER IN SHOWDOWN WITH LAOTIAN NATIONAL ASSEMBLY

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Laotian Prime Minister Souvanna Phouma has prevailed in a confrontation with the National Assembly which was precipitated by that body's rejection of the proposed budget on 16 September.

Souvanna, impatient with the legislators' eagerness for a greater political role, scornful of their "ineptness," and presently disinclined to compromise, wants to dissolve the assembly and to call for new elections. He was assured on 16 September of the army's support in any "political showdown with the deputies and the next day he got cabinet approval for an approach to King Savang. On 20 September the premier informed his cabinet that the King had agreed to dissolve the assembly and retain the present government.

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Souvanna

has even indicated he would like some governmental control over the selection
of new deputies. One of his proposals involves government nominations to the assembly which would
be approved by provincial "consultative commissions" composed of
senior military officers and civil
servants.

The King, on the other hand, prefers general elections, and Souvanna is unlikely to press for such an arrangement in the face of the King's opposition.

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#### Europe

## TROUBLES MOUNT FOR WEST GERMANY'S CHANCELLOR

Ludwig Erhard's political position has deteriorated further on the eve of his visit to Washington. The latest blow was the sudden resignation of Ludger Westrick, his long-time aide and confidant.

Without Westrick's counsel and expertise, the West German chancellor will be more exposed to the attacks of his foes. Westrick will stay on until Erhard returns from the US but his resignation has given impetus to speculation that a major cabinet shake-up will take place before the end of the year. Defense Minister von Hassel--still suffering the aftereffects of his recent confrontation with top generals--remains a prime prospect for transfer or removal.

Erhard still maintains that he has no thought at present either of quitting or of remaking his ministerial team.

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The chancellor has staked his reputation and probably his political future on the passage

of economic stabilization legislation, a series of measures designed to give Bonn a greater degree of control over the flagging economy.

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Erhard hopes to make political capital out of his 26-27 September talks with US officials. At the same time, he is likely to avoid exposing himself to charges of being too pro-American.

Erhard has spoken publicly of his intention to stand firm on the main issues--troop offset payments and nuclear sharing. Press commentators, probably with official inspiration, have speculated that Bonn in the future may wish to reduce its payments for the support of US military forces in Germany by as much as 50 percent.

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## COSMOS 122, SOVIET EXPERIMENTAL METEOROLOGICAL SATELLITE

The Soviets have demonstrated a workable meteorological satellite with Cosmos 122, launched on 25 June. They have transmitted to the United States for the first time cloud pictures taken by television and infrared cameras and cloud analysis charts based on the pictures. This information partially fulfills the Soviet commitment under the 1962 US-USSR agreement to exchange satellite weather data. US weather satellite data is already available to the Soviets.

The Soviets began to transmit cloud analysis charts to the US on 19 August, two days after they announced that Cosmos 122 was a meteorological satellite. They claimed that transmission of the charts fulfilled the terms of the 1962 agreement. The agreement, however, states that selected photographs as well as analyses are to be exchanged. On 11 September the Soviets began to transmit actual photographs.

Neither the charts nor the photographs are being transmitted to the US within the stipulated time of six hours after observation. The delay has varied between 12 and 24 hours, thus re-

ducing their usefulness for shortterm forecasting. The material is useful, however, for identifying newly formed storms in remote areas of the world.

The one-half-mile resolution of the Cosmos 122 TV photographs is comparable to that of the US Nimbus weather satellite and adequate to meet the terms of the 1962 agreement. Cosmos 122, like Nimbus, is constantly oriented toward the earth and is capable of taking pictures of about 75 percent of the earth.

The chief of the Soviet Hydrometeorological Service, Fedorov, wrote in an Izvestia article on 20 August that Cosmos 122 was an experimental meteorological satellite. This is the first satellite that has been so identified. It is, however, the fifth Soviet meteorological satellite in a series that began in August 1964. None of the first four was very successful, although Cosmos 118 transmitted video signals for about two weeks.

The Soviets plan to establish an operational system of two or three weather satellites. Such a system is not expected to be operational for at least a year.

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#### THE EEC AND INTERNATIONAL MONETARY REFORM

In preparation for next week's annual meeting of the International Monetary Fund in Washington, the EEC finance ministers met on 12 September with international monetary reform the principal topic on the agenda. Their communique stresses points on which they agree, implying that France may have succeeded somewhat in overcoming its isolation from the other EEC countries evident at the July session of the major financial powers known as the Group of Ten, \* and in the Group's August report on possible changes in the international monetary system.

However, on the essential difference between France and others of the Ten--whether or not work is to go forward on planning for the creation of new international monetary reserves-the communiqué suggests a standoff among the Six. Although stating that the EEC countries "are ready to collaborate actively in the search for an adoption of improvements" in the international monetary system, the communiqué notes "differences of opinion as to the desirability of setting up at once machinery for the possible establishment of additional liquidity." Following the finance ministers' meeting, Luxembourg's Prime Minister Werner, who chaired the session, said that France would participate in further studies of the problem while maintaining its

reservations regarding the need for the whole exercise.

The next stage of monetary discussions will take place among an as yet undecided but larger grouping than just the Ten. precise link of the Ten to the other IMF members in the socalled "second stage" of contingency planning, however, will likely be the main area of controversy at next week's meetings. Short of reiterating the point already made by the Ten that the principal industrialized countries have a "particular responsibility" in the working out of new machinery and in taking decisions within it, the communique of the Six gives no indication of how far the EEC members of the Ten are prepared to go in sharing this responsibility within the IMF.

In any case, Paris has apparently decided that at this stage at least isolation is not a paying proposition, and its evident concern about EEC solidarity may also give other Community members some bargaining power in the future. Although they do not share De Gaulle's peculiar ideas on the international monetary system, they nonetheless can be expected to continue to emphasize caution on innovation and haste on elimination of US and UK payments deficits.

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<sup>\*</sup>The US, UK, Canada, Sweden, Japan, plus France, Germany, Belgium, the Netherlands, and Italy.

#### SWEDEN'S GOVERNING PARTY SUFFERS SETBACK IN LOCAL ELECTIONS

The executive and parliamentary groups of Sweden's Social Democratic Party (SDP) are to meet on 1 October to assess the party's position in the wake of the sharp setback it suffered in local elections on 18 September. Prime Minister Erlander, shaken by what he termed the party's "smarting defeat," has raised the possibility of calling national elections before their regularly scheduled date in 1968. While some younger party members advocate this move, majority. sentiment appears to favor continuation of the Social Democratic government for the time being despite the rebuff it suffered at the polls and its minority status in the lower chamber which forces Erlander to seek parliamentary support from both left and right.

In the nationwide polling, the Social Democrats' share of the vote declined from the 51 percent they got in 1962 to 42.8 percent. The Swedish Communist Party (SCP), which has been displaying more independence from Moscow, picked up 2.4 percent of the vote, raising its total to 6.6 percent. The SDP also lost to the three major non-Socialist

parties--the Liberals, Conservatives, and the Center--which increased their percentage by 3.8 percent to 48.8 percent of the total vote. Both the Communists and the opposition "bourgeois" parties profited from such issues as inflation and the housing shortage; foreign policy questions played an insignificant role.

The election outcome has revived speculation about prospects for cooperation between the SDP and the Communists, who have managed to project an image of a progressive, national-oriented party under their new leader, Carl-Henrik Hermansson. The generally moderate SDP leadership has rejected Hermansson's proposals for collaboration, but Erlander and other party leaders are likely to face increasing pressure from their left wing for such cooperation.

The Socialists' setback could hasten the retirement of the 65-year-old Erlander, who has become increasingly discouraged in recent months by the disarray and growing factionalism within his party.

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#### SECRET

Page 13 WEEKLY SUMMARY 23 Sep 66

## <u>Middle East - Africa</u>

## GOVERNOR OF WEST PAKISTAN RESIGNS

The resignation on 18 September of the governor of West Pak-istan--the third major Pakistani figure to leave office in the past three months--has produced a further concentration of power in the hands of President Ayub.

Although the tough-minded Malik Amir Mohammad Khan of Kalabagh had repeatedly expressed personal reasons for desiring to retire since he was appointed governor six years ago, his departure probably resulted primarily from increased strains in his relations with Ayub.

forced the removal of two of Kalabagh's appointees from the West Pakistan cabinet. Shortly thereafter, Kalabagh suprised political observers in Pakistan by meeting with his long-time antagonist Zulfikar Ali Bhutto, who had recently been removed by Ayub as foreign minister and who was

rapidly becoming a figure around whom anti-Ayub sentiment was coalescing. 25X1

Kalabagh's successor is General Mohammad Musa, former commander in chief of the Pakistan Army and a devoted follower of Ayub. Selection of a professional army officer to become governor of West Pakistan, following the naming of two technicians to succeed the resigned foreign and finance ministers, will increase Ayub's domination over government policies. It will also make it 25X1 more difficult for him to transfer blame to others when mistakes occur.

### CAIRO IMPOSES NEW CABINET IN YEMEN

Nasir's frustration in the face of escalating anti-Egyptian sentiment among Yemeni republican forces became evident in the replacement of the Yemeni cabinet announced this week.

As he has done ever since the Yemeni revolution broke out nearly four years ago, Nasir acted through President Sallal, virtually the only major Yemeni figure on whom he can count.

#### **SECRET**

Page 14 WEEKLY SUMMARY 23 Sep 66

25X1

Last month Sallal returned to Yemen from nearly a year's sojourn in Cairo. His low standing among leaders of the republican regime was revealed when Egyptian troops had to be used to counter the efforts of republican leaders to take over the Sana Airfield to prevent his plane's landing.

Sallal's return provoked a showdown. The cabinet headed by Premier al-Amri flew to Cairo to demand that Nasir drop Sallal, whose blatant pro-Egyptian approach serves as a red flag to those republicans who want to assert their independence. Nasir could not be budged, however. In quick succession Sallal announced the resignation of al-Amri and his cabinet and the formation of a new strongly pro-Egyptian cabinet headed by himself.

The position of the republican tribes—the locus of power in Yemeni politics—is unclear. Despite the growing disaffection of the tribal leaders with the Egyptian occupation, five important ones have accepted appointment to ministerial rank as Sallal's counselors. Their hostility to the Egyptians apparently has not blinded them to their ultimate political goal—to regain power they had lost to the recent Yemeni imams before the revolution.

In any event , Nasir's move dispels any illusion that the Sallal government rests on a popular base. Nasir evidently hopes to keep the lid on until the results of the long-drawn-out mediation efforts by Kuwait become clear. His highhanded methods 25X1 may nevertheless have done irremediable damage to the longer term Egyptian position.

### NEW DISORDERS IN FRENCH SOMALILAND STIR PARIS

The outbreak of new disturbances in French Somaliland is forcing Paris toward a faster pace of change in the territory than it had planned. The events have also precipitated a bitter wrangle for control over the area by its neighbors, Ethiopia and the Somali Republic.

After disturbances which accompanied De Gaulle's visit in late August, Paris immediately replaced the territorial governor and began talks to calm local politicians. Following further violence on 13 and 14 September,

Page 15

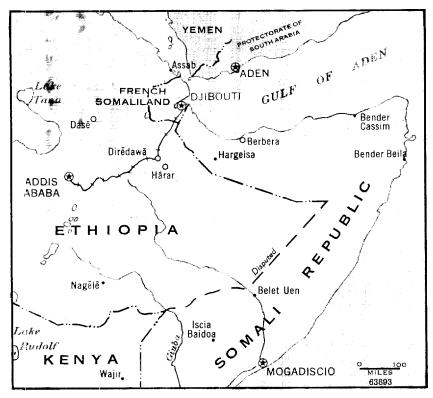
however, France sent in military reinforcements and established martial law. Both Paris and Addis Ababa have charged Mogadiscio with fomenting the trouble, but there is little evidence that this was the case.

On 15 September a French Government spokesman announced a new policy. He attributed to De Gaulle the statement that if the French Somaliland population now wanted to separate from France "it would not be France which would place any obstacles." The decision, however, would have to

### SECRET

WEEKLY SUMMARY 23 Sep 66

25X1



Ethiopian tribes. The Somalis comprise 45 percent of the population, however, and the Mogadiscio government wants to unite all ethnic Somalis with the republic.

The day after the Paris announcement Emperor Haile Selassie announced in fiat terms that French Somaliland was an integral part of Ethiopia and that Ethiopia would never accept a solution counter to its interests.

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be done "democratically." On 21 September, Paris announced that there would be a referendum on the issue of independence "before July." In 1958 the territory voted to remain with France.

The prospect of change in the status of French Somaliland has whetted the appetites of Ethiopia and Somalia. The Djibouti - Addis Ababa railroad is vital to Ethiopia, and the Afar peoples which comprise 41 percent of the French territory's population are related to

Mogadiscio sharply denies Ethiopia's claims and has publicly warned that any Ethiopian

military venture into the territory The Somali Rewould lead to war. public is pressing hard for a debate on the territory in the UN General Assembly and at the Organization of African Unity meeting scheduled for November. Mogadiscio's official position is for the UN to call on France to grant independence, to have the UN administer the territory, and then to arrange a plebiscite which Mogadiscio expects would be in its favor.

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#### MOBUTU TIGHTENS CONTROL IN CONGO

Congolese President Mobutu has moved in the past week to strengthen his position in two perennially troublesome provinces and deny forces supporting former

premier Tshombé a base of operations.

Military commanders assumed administrative control in

### SECRET

Page 16 WEEKLY SUMMARY 23 Sep 66

Sud-Katanga and Sud-Kivu on 15 September. Mobutu is keeping these provinces' governors and vice governors in Kinshasa (Leopoldville) until the investigative commissions he sent to the provincial capitals have reported.

the evidence against all the officials is probably there if the commissions want to find it. The case against Sud-Katanga's Governor Munongo, in particular, probably was made before the commissions left Kinshasa. Mobutu has long distrusted Munongo as Tshombé's right-hand man.

There has been no popular resistance in the two provinces and the area is now calm. However, maneuvering for the vacated positions could lead to a resurgence of tribal disputes.

Mobutu has been making the most of the recent discovery of an alleged mercenary training camp in southern France to support his charges that Tshombé, with the support of Belgian businessmen, is planning to overthrow his government. Although Mobutu has been careful not to offend the Belgians during his foreign minister's current visit to Brussels, if the government goes ahead with its announced plan to try Tshombé in absentia the evidence presented might open old wounds.

Government forces are tightening the ring around Kisangani (Stanleyville) and Mobutu may be planning to move against the mutinous Katangan soldiers there. The government's French-speaking mercenary unit is being deployed some 60 miles west of the city for reorganization and training and possibly for eventual reinforcement of the loyal Congolese troops in Kisangani.

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Page 17 WEEKLY SUMMARY 23 Sep 66

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#### MILITARY COMMANDER INTERVENES IN NIGERIA'S CONSTITUTIONAL CRISIS

Late last week Supreme Commander Gowon abruptly abandoned his neutral role in Nigeria's constitutional crisis and moved to impose a new structure with a strong federal government and additional small states. He still faces a threat of secession by the Eastern region.

On 16 September the regional delegations meeting in Lagos appeared to be nearing agreement on a loose union and adjourned their discussions. Next day, however,

the army had "changed its mind" and would not accept such an outcome. Instead, he presented a plan--virtually as an ultimatum--calling for the division of the North into six states and the East into three. The West and Mid-West regions would remain intact.

Under Gowon's plan the central government would have strong powers, while the states would have less autonomy than the regions do under the present federal constitution. This national government would be directed by a president, a prime minister, and a parliament in which each state would have equal representation. An interim army-civilian government would be set up until constitutional and administrative arrangements are completed.

By intervening in the work of the conference, Gowon responded above all to pressure from militant Northern officers opposed to the diminution of army influence through the formation of four regional forces. Gowon was also under pressure of soldiers from the southern part of the Northern Region who dominate the remaining effective units, and who want to carve a "Middle Belt" state out of the Northern region. He probably was also influenced by civilian representatives of Northern and Eastern minority groups who have been pushing for more autonomy.

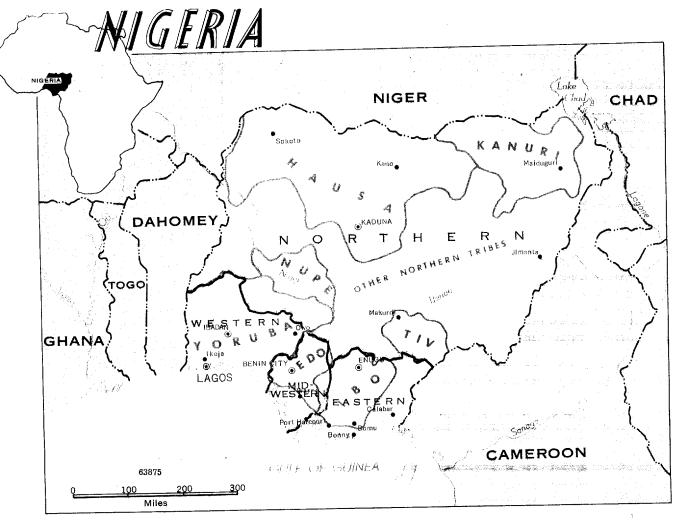
When the constitutional conference reconvened in Lagos on 20 September, the Northern and Western delegations reportedly shifted their stands to support Gowon's point of view. As the delegates from the Mid-West and Lagos had already opted for such a plan, the leaders of the Eastern Region's dominant Ibo tribe have been left isolated in their advocacy of weak federal power and the preservation intact of the existing four regions. The Easterners, apparently caught by surprise, are still considering their response. If Ibo militants prevail, Eastern military governor Ojukwu may go so far as to declare the East independent of the federation.

At present, however, they appear to have little effective

## **SECRET**

Page 18 WEEKLY SUMMARY 2.3 Sep 66

25X1



military power at their command. Gowon indicated last weekend that he was prepared to use force to oppose any attempted secession or any effort by the Ibos to preempt the rich oil-producing Niger delta areas inhabited by the minority tribes. There is some danger that the militant Northern officers might themselves make a pre-emptive move against Ojukwu.

Minority elements in the East, on the other hand, will be pleased by the new power afforded them through the creation of new states. The plan will also be well received by the Yorubas of Western Nigeria, whose leader, Chief Awolowo, believes he might gain top power in a new civilian regime under such a structure.

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#### **SECRET**

Page 19 WEEKLY SUMMARY 23 Sep 66

#### Approved For Release 2008/05/19 : CIA-RDP79-00927A005400090001-5 **SECRET**

## Western Hemisphere

## INTER-AMERICAN PEACE FORCE LEAVES DOMINICAN REPUBLIC

The last units of the Inter-American Peace Force (IAPF) left the Dominican Republic on 20 and 21 September. President Balaguer has publicly voiced doubt that the events of 1965 that led to the IAPF presence could be repeated but added that if they were, the nation would request aid from the OAS, UN, or another international body.

As the departure date for the IAPF approached, increasing apprehension was voiced by some Dominicans that a renewed wave of terrorism was at hand. In part, this unease was stimulated by the killing of two US servicemen on 14 September by extreme leftists. Balaguer has publicly called for more aggressive action by military and police to curb agitation and violence.

Balaguer has continued efforts to consolidate his control over the armed forces, whose allegiance is critical to the stability of his regime. On 17 September, he removed a potential governmental opponent, General Folch, as chief of staff of the air force. Although the precise reason for Folch's dismissal is not known, he is suspected of not giving wholehearted support to the President. The new air force chief,

Colonel Alvarez, is impetuous, violently anti-Communist, and has shown a marked tendency to take extreme actions. He has, however, declared his fidelity to Balaguer. Balaguer made the change before the IAPF's departure so as to forestall reaction by right-wing elements.

Top military leaders have indicated agreement "in principle" with a US-backed program endorsed by Balaguer which is designed to improve effectiveness and reduce costs of the military forces. Balaguer has moved ahead with part of his reorganization plan aimed at reducing the power of potential dissidents and apparently has shifted the armored unit formerly commanded by General Wessin into another unit.

So far there has been no strong military reaction to these changes. The US defense attachés consider that their over-all effect is to strengthen Balaguer's control of the armed forces and reduce possible organized resistance to his plans for restructuring the military. The secretary general of Bosch's party has voiced admiration 25X1 for Balaguer's agility in asserting civilian control over the military.

## STUDENT UNREST GROWS IN BRAZIL

Growing unrest among Brazil's university students is causing vague but perceptible uneasiness within the Castello Branco administration and threatens to become a major embarrassment to the government. Small demonstrations and strikes involving several hundred students began early this month over minor issues. handling by university authorities and the use of police to combat the demonstrations have angered and drawn in a far greater number of students.

Students have gone on strike in Rio de Janeiro, Sao Paulo, Belo Horizonte, Brasilia, Recife, Porto Alegre, and Goiania. Police used tear gas to break up a demonstration in Rio on 15 September. Students in Belo Horizonte attempted a solidarity march, then took refuge in the law school when thwarted. They repulsed attempts to clear the school for 18 hours by pelting police with stones, chairs, and books.

On 20 September students in Sao Paulo defied a government ban by launching a protest march which attracted some popular support and took police several hours to disperse.

than 300 students were arrested.

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Police also broke up a demonstration in Goiania on 21 September. Although expected major demonstrations failed to materialize in Brasilia on the 21st, the USIS information center was damaged by students.

Student dissatisfaction with the government has been growing since the ousting of leftist President Goulart in 1964 and subsequent government efforts to eliminate political activity from the student movement. The government has generally turned a deaf ear to student problems, and security forces have tended to treat student political activity as insurrectionary.

Leftist forces have regained influence in some sectors of the student movement and are looking for opportunities to foster unrest--particularly at this time when national tensions are high because of the scheduled 3 October presidential election and 15 November direct congressional election. The extreme left-wing student group--Popular Action-the outlawed Brazilian Communist Party, and leading political opponents of the government can be expected to try to keep agitation alive.

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Page 21 WEEKLY SUMMARY

## COMMUNISTS BRING OFF GENERAL STRIKE IN URUGUAY

The Communist-inspired general strike in Uruguay on 15 September closed most business and government offices for 24 hours. It was the first major strike the Communists have been able to engineer on primarily political issues.

The Communists will view the strike as supporting their belief that legitimate economic grievances can be channeled into support for party political objectives. Although the aims of the strike included better wages and benefits, its main objective was political: to demonstrate labor's repudiation of the constitutional reform proposal put forward jointly by large factions of the two traditional parties. Adoption of this plan would put an end to Uruguay's present collegial executive whose ineffective government has favored Communist advances.

This joint proposal, which would substitute a strong, single executive for the divided nine-man National Council of Government, is the only plan for governmental reform with a chance to win approval in the 27 November general elections. There will be four proposals on the ballot, and vote splitting may keep any of them from being adopted. If reform fails, chances for a coup, probably by frustrated groups within the ruling Blanco Party with some military backing, increase sharply.

Despite Council President
Heber's earlier statements that he
would not tolerate labor unrest,
the government took no measures to
prevent the strike. Communist labor leaders will almost certainly
be encouraged by their success and
by apparent government inertia.
Increasing labor agitation, perhaps
including another general strike,
seems likely before the November
elections.

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Page 22 WEEKLY SUMMARY 23 Sep 66



Approved For Release 2008/05/19 : CIA-RDP79-00927A005400090001-5

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